THE MINISTER OF STATE IN THE MINISTRY OF POWER (DR. S. VENUGOPALACHARI): (a) and (b) The World Bank has, in one of its reports, listed several impediments to private investment in the Indian Power Sector like poor financial health of the State Electricity Boards, lack of competitive bidding in the initial stages etc.

Competitive Bidding has been made mandatory with effect from 18.2.1995 for award of power projects in the private sector. Recognising the need of a sound financial health of the State Electricity Boards (SEBs) as essential for private investment, the time bound reforms and restructuring of SEBs is high on the agenda of the Government as reflected in the Common Minimum National Action Plan for Power.

[English]

Rakesh Mohan Committee

806. SHRI SANDIPAN THORAT: Will the PRIME MINISTER be pleased to state:

(a) whether any action plan has been recommended by the Rakesh Mohan Committee;

(b) if so, the details thereof;

(c) the progress made in setting up of an Independent Power Regulatory Commission and the response and action initiated by the State Governments in this regard; and

(d) the steps taken/proposed to be taken to ensure the proper implementation of the Common Minimum National Action Plan in power sector by the State Governments and the present status thereof?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (DR. S. VENUGOPALACHARI): (a) and (b) Rakesh Mohan Committee has submitted The India Infrastructure Report - Policy imperatives for growth and welfare to the Government of India on 22.6.1996. This report has recommended policy reforms which can help in greater commercialisation of infrastructure like urban development, power, telecommunications, roads, industrial parks and ports through increase in the domestic savings rate, gearing up of the capital markets, setting up of a regulatory framework and Infrastructure Finance Development Corporation (IFDC), Public Private Partnerships (PPP) etc..

(c) and (d) As a result of the Chief Ministers' Conference on 16th October and 3rd December, 1996, a Common Minimum National Action Plan for Power has been formulated which, inter-alia, lays down the setting up of a Central Electricity Regulatory Commission and State Electricity Regulatory Commissions. This Action Plan has been circulated to all the State Governments for Initiating action on the same. Orissa has already set up the State Electricity Regulatory Commission and the States of Haryana, Rajasthan and Uttar Pradesh have initiated action in this regard.

House Building Advance

807. SHRI K.P. SINGH DEO: Will the PRIME MINISTER be pleased to state:

(a) whether there is any proposal to revise the rules pertaining to House Building Advance being given to the Central Government employees;

(b) whether the Central Government employees are allowed to take second loan from the office on payment of the first loan;

(c) the other facilities proposed to be extended to the Government employees for building houses of their own;

(d) whether Government propose to reduce the rate of interest; and

(e) if so, the steps taken in this direction?

THE MINISTER OF STATE IN THE MINISTRY OF URBAN AFFAIRS AND EMPLOYMENT AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. U. VENKATESWARLU): (a) No, Sir.

(b) No, Sir.

(c) Does not arise.

(d) No, Sir.

(e) Does not arise.

Srisailam Left Bank Canal Power Project

808. SHRI R. SAMBASIVA RAO: Will the PRIME MINISTER be pleased to state:

(a) whether the Government of Andhra Pradesh has scraped the Srisailam Left Bank Canal Power Project;

(b) if so, the details and reasons therefor;

(c) whether the project was taken up with loan assistance of 26,101 million Yen from the overseas Economic Co-operation Fund, Japan;

(d) the actual estimated cost of the project and expenditure incurred thereon so far; and

(e) the reasons for delay in completing the project within the stipulated schedule?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (DR. S. VENUGOPALACHARI): (a) to (e) The Srisailam Left Bank Power House (6x150 MW) in Andhra Pradesh is being executed by Andhra Pradesh State Electricity Board with Overseas Economic Cooperation Fund, Japan of 48,668 million Yen. The latest estimated cost of the project is Rs.2324.55 crores (1996 price level), out of which an expenditure of Rs.1123.63 crores has been incurred on the project upto December, 1996.

The project was originally scheduled for completion by December, 1994 but has been delayed due to heavy

seepage of water in the power tunnel, slow progress of works in the tail race tunnel and other adit tunnels due to bad rock conditions and strike by workers and employees of civil contractor, M/s Patel Engineering Company from February, 1995 to August, 1995. As per the present status of works the first unit of the project would be commissioned by July, 1999 and balance units at an interval of six months each thereof.

[Translation]

LPG Connections

809. SHRI SUKH LAL KUSHWAHA: Will the PRIME MINISTER be pleased to state:

(a) the number of LPG connections provided under the discretionary quota during 1996;

(b) whether the Supreme Court have issued any guidelines in this regard; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI T.R. BAALU): (a) LPG connections issued under discretionary quota during the period January - December, 1996 are as under:

LPG Connections

Issued under

discretionary quota - 77142

(b) No, Sir.

(c) Does not arise.

[English]

Renewable Energy Sources

810. SHRI GULAM RASOOL KAR: Will the PRIME MINISTER be pleased to state:

(a) whether the Government have set up solar power projects in the country and the details of progress achieved on ongoing projects and performance of completed projects;

(b) details of wind power projects already set up/ under implementation in the country with State-wise break up;

(c) details of projects completed/under execution for generation of energy from garbage/waste;

(d) details of major policy initiatives recently taken to encourage private/foreign direct investment to tap energy from natural sources/non conventional sources; and

(e) details of programme-wise and state-wise allocations of funds for the current year particularly for Kashmir and how to they compare with the funds actually utilised during the last year?

THE MINISTER OF STATE OF THE MINISTRY OF NON-CONVENTIONAL ENERGY SOURCES (CAPT. JAI NARAYANA PRASAD NISHAD): (a) Yes Sir. Solar photovoltaic Power Projects of over 1254 KW aggregate capacity have been installed in the country. State-wise details are given in Statement-I enclosed. The performance of these projects has so far been satisfactory.

(b) The details of Wind Power projects set up in the country, with state-wise break-up are given in Statement-II enclosed;

(c) The details of projects for generation of energy from garbage/waste, completed and under execution, are given in the enclosed Statement-III.

(d) Major policy initiatives taken to encourage private/ foreign direct investment to tap energy from Non-conventional sources, include provision of fiscal and financial incentives under a wide range of programmes being implemented by the Ministry and simplification of procedure for private investment including foreign direct investment in the non-conventional energy projects. The fiscal incentives provided for this purpose include 100% depreciation in the first year of the installation of the project, exemption from excise duty and sales tax and concessional customs duty on the import of material, components and equipment used in non-conventional energy projects. In addition, the Government provides financial incentives such as interest-subsidy and capital subsidy from the Ministry of Non-Conventional Energy Sources and soft loans from the Indian renewable Energy Development Agency (IREDA) a Public Sector Company of the Ministry. For creation of attractive facilities for evacuation and purchase/wheeling/banking of electrical energy generated from non-conventional sources, the Ministry has issued a set of guidelines to all the States. It has been suggested that the States should announce general policies for purchase/wheeling/banking of electrical energy generated from all non-conventional energy sources. A minimum purchase price of Rs.2.25/unit with an annual escalation of 5% for first 10 years, with liberal wheeling/ banking facilities at nominal charges has been suggested. Twelve States have so far announced such policies in respect of various non-conventional energy sources. Foreign direct investment proposals involving upto 74% of foreign equity for manufacture of items based on solar energy like solar cells, cookers, air and water heating systems and other related items, wind electric generators, small hydro equipments and non-conventional energy generation and distribution qualify for automatic approval.

(e) The details of funds allotted under various non-conventional energy programmes during 1995-96 and 1996-97 alongwith programme-wise expenditure incurred during 1995-96 and expected expenditure during 1996-97 upto 31st March, 1997, are given in Statement - IV Statewise allocation of funds is not made by the Ministry. The funds are provided to State Governments based on their past performance under various programmes of the Ministry and on the merit of the proposals received from them.